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LANCE M. LARSON
Director of Legislative Affairs

May 12, 2009

The Honorable Al Green
United States House of Representatives
236 Cannon House Building
Washington, D.C. 20515-4309

RE: H.R. 600 – FHA Seller-Financed Downpayment Reform Act of 2009

Dear Congressman Green:

The County of San Bernardino is pleased to support H.R. 600, the FHA Seller Financed Downpayment Reform Act of 2009. The main purpose of this bill is to revise the requirements for seller-financed downpayments for mortgages for single-family housing insured by the Secretary of Housing and Urban Development under Title II of the National Housing Act.

The Inland Empire has experienced an estimated 103,205 residential foreclosures from March 2007 to September, 2008. In December of 2008, approximately 42,356 homes in San Bernardino County alone were owned by the bank, scheduled for auction or subject to notices of default. The revision of FHA seller-assisted down payment programs will stimulate critical demand at a time of excess inventory and will assist the transfer of homes to qualified owner occupants.

As you are aware, Downpayment Assistance (DPA) programs are a necessary component to the recovery of our housing economy. Prior to their elimination, DPA programs provided over \$100 million per month of down payment assistance and helped 25,000 creditworthy homebuyers per month. DPA programs will stimulate the overall housing economy and help revitalize neighborhoods that have been devastated by the mortgage crisis.

H.R. 600 would permit down payer assistance through the FHA program with several reforms, which includes ensuring only legitimate charities can provide DPA assistance, permit only qualified homebuyers who are eligible to receive a DPA gift, prohibit inflated appraisals, and require homeowners' counseling to be made available to all DPA gift recipients.

For these reasons the San Bernardino County Board of Supervisors is in support of H.R. 600. If you have any questions, please do not hesitate to contact Lance Larson, the County's Director of Legislative Affairs, at (909) 387-4821. The Board thanks you for your attention in this matter.

Sincerely,

GARY C. OVITT
Chairman, Board of Supervisors

cc: San Bernardino Congressional Delegation

The mission of the government of the County of San Bernardino is to satisfy its customers by providing service that promotes the health, safety, well being, and quality of life of its residents according to the County Charter, general laws, and the will of the people it serves.